

TREASURE ISLAND COUNTRY CLUB

MINUTES OF THE BOARD OF TRUSTEES REGULAR MEETING held June 4, 2016, at the Grapeview Firehall/Horton Community Center, 4350 East Grapeview Loop Road, Grapeview, WA. The meeting was opened at 9:00 AM by President David Madson and attended by Commissioners Larry Grumme, Roger Hansen, Morina Dustan, Cheri Swettenam, Tom Spaulding and Ken Sanberg who attended by conference phone; member/employees Linda Pryor and Rod Wilkinson; and guest member Alan Ross.

MOTION to approve the [minutes of the May 7, 2016 Regular Board meeting](#) was made by Larry Grumme, seconded by Tom Spaulding and passed.

FINANCIAL REPORTS

Secretary/Treasurer Roger Hansen reported the current budget is on track and keeping within the expenses projected through the June 30th end of the fiscal year. • The Trustees reviewed the Cash Flow Report for the period April 1 through May 31, 2016. It was noted the total balance on deposit at Olympia Federal is over the FDIC insurance limit; a transfer of funds from the Asset Replacement Fund (ARF) account at Olympia Federal will be made to the Key Bank ARF savings account. Roger reported that as of April 30th the total cash balance of all funds on deposit was \$XXXXXX and the loan balance was XXXXXXXX (available upon request). **MOTION** to accept the Cash Flow Report dated April 1 through May 31, 2016 was made by Morina Dustan, seconded by Larry Grumme and passed.

COMMISSIONER REPORTS

WATER - Commissioner Larry Grumme reported the coliform test for May was negative. • Water Usage: 573,591 gallons were pumped in April and 1,157,300 gallons were pumped in May; both months were higher than the ten year average. Total production for this year so far is 3,169,311 gallons or 9.7 acre feet. • Two hundred twenty two water service meters have been installed to date. Two meters remain to be installed to complete the water meter installation project. • Two water leaks located on the east side at the north end were repaired last month. One repair was at a 'Tee' coming out of the 2 1/2" main line where a street ell was cracked. The other was a pinhole in the mainline and a repair clamp was used to stop the leak.

Water System Secretary and Water Quality Monitor, Rod Wilkinson, reported the Department of Health (DOH) replaced the Total Coliform Rule with the Revised Total Coliform Rule on April 1st. He explained that a positive coliform sample, while not dangerous, is not supposed to be there and is an indicator that the system is vulnerable to contamination. If the positive test is confirmed in a repeat sample, water system personnel would then take action to find and fix problems that could allow pathogens to enter the distribution system. When coliform is present, the revised rule changed the number of repeat samples taken from the distribution system (from four to three) and now requires that a sample be taken directly from each well. In addition, a Level 1 assessment of the entire system must be submitted to the DOH within 30 days after the initial positive coliform sample was confirmed by a repeat sample. This assessment can be performed by water system personnel. • Rod briefed the Trustees on the response plan that must be followed if a sample is positive for E. coli. This also requires that repeat samples be taken from the distribution system and wells and includes a Level 2 assessment. This assessment is more detailed and must be performed by a person with state required qualifications; our Water System Superintendent, Skip Beahm, is qualified to do this assessment. • Rod is currently working on our system's Coliform Monitoring Plan to incorporate the new requirements. This Plan must include a policy regarding when notification to the water system customers will be issued if a sample from the distribution system is positive for E. coli; either immediately following the report of a positive sample or following the results of the repeat samples. He noted the repeat samples are taken immediately and the response time for results is about 24 hours. **MOTION** to adopt a policy to wait the 24 hours to see if E. coli contamination in the distribution system is confirmed with analysis of repeat samples before providing notification to the members was made by Roger Hansen, seconded by Tom Spaulding and passed. Morina Dustan opposed. • Rod clarified that if a sample from one of the wells is positive for E. coli, the response in our Coliform Monitoring Plan requires that the well be shut down immediately and notification provided to the members promptly. The water team would then work closely with DOH to eliminate contamination in the source (well) so that the water system can resume normal operation as soon as possible. These actions would not be delayed for repeat sample results. The Trustees concurred with this response plan.

BRIDGE – Commissioner Roger Hansen reported. The maintenance employee will be contacted with regard to the status of spraying and pressure washing the south side of the bridge roadway to remove moss.

DOCK – Commissioner Ken Sanberg reported he has been looking into lighting for the dock. A solar paneled light with a battery back-up to illuminate the entrance to the gangway will cost approximately \$400.00. Before proceeding, a lighting plan has to be submitted to the Department of Natural Resources (DNR) for approval. Ken will contact the DNR to get this started. He will also inquire as to whether approval is needed to install piping and a hose bib that would provide fresh water on the float. • It was noted that the ten year Aquatic Lands Lease (for the tidelands under and around the float) is up for renewal in August.

ROADS – Morina Dustan reported. She noted she had received some complaints about the dead blackberry vines. • The ‘Stop’ sign at the north corner of the intersection fell down as the result of a rotted post. Steel sign posts are on hand to replace it. • Correspondence was received from a member expressing concerns with standing pools of water in the ditch along the northeast side of the island and the attraction to mosquitos. Some investigation will be needed to try to determine where the water is coming from

BEACH – Commissioner Cheri Swettenam reported. She requested that the minutes include a statement to “Please stay off the roof of the picnic shelter.” She noted she is working on a design that may prevent people from climbing up there. Signage was suggested.

SECURITY – Commissioner David Madson had no business to report.

NEW BUSINESS

The Trustees reviewed and discussed proposals for inclusion on the annual meeting agenda for voting.

Operations & Maintenance Budget for July 1, 2016 to June 30, 2017

Morina noted that the expense for outsourcing the bridge maintenance has been discussed at previous Board meetings and suggestions have been made to get more bids from service providers and to use volunteers and/or the maintenance employee for these tasks. **MOTION** to withdraw the expense for bridge maintenance and beautification from the budget for the upcoming fiscal year and allow volunteer members and paid employees to manage those tasks was made by Morina Dustan, seconded by Cheri Swettenam and passed with three opposing votes. Following discussion regarding the pros and cons of this action, **MOTION** to retract the motion was made by Morina Dustan, seconded by Cheri Swettenam and passed. **MOTION** to leave the funds for bridge maintenance in the proposed fiscal budget as is and continue to outsource the maintenance to Garden Gate on a month to month basis until such time as an alternative is approved by the Board; a Trustee will be assigned to work towards getting bids in an attempt to reduce the expense of outsourcing or a Trustee may be assigned to manage the maintenance with volunteer members and/or employee services; moved by Morina Dustan, seconded by Cheri Swettenam and passed.

The Trustees reviewed and discussed the draft of the Operations & Maintenance Budget for July 1, 2016 to June 30, 2017. One expense revision and a suggested formatting change were accepted and will be incorporated in the final draft. **MOTION** to accept the Operations & Maintenance Budget for proposal at the annual membership meeting was made by Roger Hansen, seconded by Morina Dustan and passed.

Asset Replacement Fund Budget

The Trustees reviewed and discussed each of the items included in the Asset Replacement Fund Budget. Line items in this budget will be voted on individually.

- Water Tank Seismic Project - Larry reported that Gray & Osborne submitted the final draft of the Predesign Report for the pressure booster pump project (to alleviate seismic stability concerns). The report was recently sent out to several construction contractors for preliminary cost estimates. Larry recommended that the \$300,000 estimate for the budget is the maximum expense the Board should consider for this project. **MOTION** to propose a maximum of \$300,000 to be withdrawn from the Asset Replacement Fund for the pressure booster pump project was made by Roger Hansen, seconded by Tom Spaulding and passed. Morina Dustan opposed (based on not having enough information to make that proposal at this time).
- Security System Upgrades – David reported four bids have been received to date to upgrade the security camera system. A company has not been selected, but \$11,000 was the highest quote received so that is the maximum that has been included in the budget for a vote. **MOTION** to propose a maximum of \$11,000 to be withdrawn from the Asset Replacement Fund for the security system upgrades was made by Tom Spaulding, seconded by Roger Hansen and passed.
- Asphalt patch and sealcoating a portion of roadway surface – This is a project included in the Reserve Study that is divided into five phases over five years to complete the entire roadway. **MOTION** to propose

an expense of \$9,120 from the Asset Replacement Fund to patch asphalt and sealcoat approximately 1/5 of the roadway was made by Roger Hansen, seconded by Larry Grumme and passed. Morina Dustan abstained.

- Miscellaneous Projects – Two projects were noted to be combined for the same ballot (one vote): A water system project is to remove fifteen standpipes and convert five at a cost of \$1,840. Another project consists of replacing the storm water filter canisters at each end of the bridge for a cost of \$2,780. **MOTION** to propose a total expense of \$4,620 to be withdrawn from the Asset Replacement Fund for the miscellaneous projects was made by Roger Hansen, seconded by Cheri Swettenam and passed. Morina opposed (stating these projects should be in the Operations & Maintenance Budget).
- Tree analysis and removal – The Water System Manager has flagged a total of eight trees (at water tank and well sites 1 and 2) that may need to be removed to protect the main lines from the root systems. The Trustees agreed that the trees should be analyzed by a professional to determine if their removal is justified. One bid of \$6,600 was received and more bids are being sought. **MOTION** to propose an expense of \$6,600 from the Asset Replacement Fund for tree analysis and removal was made by Roger Hansen, seconded by Ken Sanberg and passed.

Special Assessment of \$100 per lot for Security Guard Services

The proposal is for a pilot program to provide contracted services for a Security Guard for a nine month period, from September 1 to May 31. The total assessment would be payable September 1, 2016 and would generate \$25,100 for approximately 835 hours of security guard services to be directed by the Board. **MOTION** to approve of proposing a Special Assessment of \$100 per lot for security guard services was made by Roger Hansen, seconded by Tom Spaulding and passed.

Advisory Votes

Advisory votes are taken for membership input only; the decisions regarding the following topics will be made by the Board of Trustees.

- **MOTION** to put before the membership an advisory vote for Homeowner Association Management was made by Morina Dustan, seconded by Roger Hansen and passed.
- Rules and Regulations – The Trustees were provided with a copy of the [drafted Rules and Regulations](#) that included annotations from the Club's attorney. It was noted that the Board has to provide the members with a thirty day period to review the Rules and Regulations and provide input before implementing said rules. The Board can adopt them at any point after that thirty day period. Since this is an extensive document to print and mail, the Trustees agreed to post it on the web site; the notice of the meeting will include direction on where to find the document and members will also be given the option to request that a print copy be sent by mail. **MOTION** to put before the membership an advisory vote for the Rules and Regulations was made by Roger Hansen, seconded by Larry Grumme and passed.
- Drones – **MOTION** to put before the membership an advisory vote to include a ban on flying drones over TICC properties in the Rules and Regulations was made by Roger Hansen, seconded by Cheri Swettenam and passed.

Fees and Fines and Collection Enforcement

A collection enforcement policy with an example of a schedule of fees and fines for violations of the Rules and Regulations was provided by the attorney. A schedule of fees and fines must be approved by a vote of the membership. The Trustees have a limited amount of time to review and finalize the policy and schedule. It was agreed that input would be shared by email and if the Trustees are in agreement with a drafted policy and fine and fee schedule, it could be presented for a vote. **MOTION** to propose a schedule of fees and fines with a collection enforcement policy for a vote of the membership subject to the Board being able to produce and approve a final draft by email prior to the 15th of June was made by Roger Hansen, seconded by Larry Grumme and passed.

Bylaw Amendments

- The Trustees previously noted that use of the Asset Replacement Fund to pay for maintenance items identified in the Reserve Study is not in keeping with the current bylaws (written before laws regarding reserve funding were enacted) and that the bylaw language should be amended. The attorney reviewed the bylaws and concurred with the need for an amendment to bring the bylaws up to date with the current HOA laws. **MOTION** to propose an amendment to the bylaws to authorize the Board to spend up to

\$25,000 annually from the Asset Replacement Fund for items identified in the Reserve Study was made by Roger Hansen, seconded by Larry Grumme and passed. Morina opposed (stating the Trustees were not given adequate time to review the proposal and/or possible consequences of the amendment).

- The current bylaws state that a Board member may be removed by a majority vote of the membership. It has been suggested that the Board should be given the authority to remove a non-participating Board member and then fill the vacant position by appointment. **MOTION** to propose an amendment to the bylaws to give the Board the authority to remove a Board Member for non-participation was made by Roger Hansen, seconded by Larry Grumme and passed. Morina abstained.

Notice of the Annual Meeting

The Trustees reviewed the Notice of the Annual Meeting. David is going to make telephone calls to the members who have expressed an interest in serving on the Board to see if they still want to be included on the election ballot. The notice will include the names of candidates. The notice will also include information regarding an informational open session for questions answers that will be held from 8:30 to 9:45AM (before the meeting opens at 10). **MOTION** to approve the notice of the annual meeting was made by Roger Hansen, seconded by Larry Grumme and passed.

Informational Meeting

An Informational Meeting for the members regarding the items on the ballots for voting at the annual meeting was scheduled for Saturday, June 25th, at 9AM. The notice for this meeting will have to be mailed by the 10th of June.

GUEST MEMBER

Alan Ross recommended that if the Board decides to use volunteer members to take care of bridge maintenance then what they're going to do should be made very clear and you need to make sure that they do it.

Alan noted that his family has been organizing the annual FunRun. He asked that the Board consider (for the next year's budget) that the Board donate a couple of hundred dollars to help with materials, such as signs, that they need to purchase for the event. A suggestion was made to use the community web site, NextDoor, to solicit for donations.

ADJOURNMENT

David Madson adjourned the meeting at 11:59 AM.

Written by Linda Pryor/Executive Secretary